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LENIN'S "ON CO-OPERATION"

PROGRESS PUBLISHERS

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С А Сераев

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Preface

In 1917 Russia's working class led by the Bolshevik Party with Vladimir Lenin at the head and in alliance with poor peasants, accomplished the Great October Socialist Revolution, which opened a new era in the history of mankind The Revolution s victory evoked violent resistance of the overthrown exploiter classes inside the country and also of world imperialism The imperialists strived to restore capitalism in Russia and to make the weakened and still warring country fully dependent on them both politically and economically At that point, the main task of Soviet power was to crush the resistance of the exploiters by all available means, including military ones, and having mobilised all its resources, the Republic of Soviets managed to defend itself and its revolutionary gains

Having triumphed in 1920 over the combined forces of international imperialism and internal counter-revolu tion, the young Soviet Republic started to build a social ist society For the first time in history, workers and peasants were creating and testing in practice the political and economic organisation of a new society Over the years Soviet power has proven in reality that it expresses and consistently defends the vital interests of workers and peasants and enjoys their trust and full support.

In starting to build a new society the working people of the world s first socialist state experienced tremen dous difficulties both at home and abroad The First World War (1914-18) the foreign armed intervention in Russia and the internal counter revolution had brought the country into a state of economic dislocation By

early 1921 heavy industry output had decreased five fold compared to the 1913 figure, and production of cottons and sugar dropped twenty and twelve times respectively The economic dislocation also involved transport and other sectors of the economy Agriculture was devastated and farming output amounted to only two-thirds of the prewar figure The nation was short of bread and many other food products and necessaries Under the influence of economic dislocation the working class was getting scattered and partially de classed and this threatened to weaken the social basis of the dictatorship of the proletariat.

At that time, there were five different sectors in the country s economy, corresponding to various socio economic structures (a) the socialist sector, consisting of nationalised large state-owned industry, trade trans port banks, co-operative enterprises, and the first socialist economies (state farms) in villages (b) small commodity production, which included a major portion of peasant households based on personal labour and connected with the market solely through purchases and sales and also handicraftsmen who did not use hired labour (c) the private capitalist sector, which included kulaks who used hired labour, owners of small indust rial enterprises, and private tradesmen (d) the patriar chal sector largely involving peasants natural economy, and (e) state capitalism represented by concessions and enterprises leased by capitalists and operating under state control Of these five sectors, the prevailing ones were small-commodity production, the private capitalist sector and the socialist sector Already at that time the socialist sector played the leading role, for it essentially had commanding positions in the economy, with state control over large-scale industry and state ownership of land transport, finances, foreign trade and communica tions, albeit small-scale commodity production was still predominant The patriarchal sector and state capitalism had no major say in the country s economy

The class composition of Soviet society corresponded to these five principal structures the workers and peasants constituted the majority and the remnants of expropriated exploiter classes (former landowners capitalists, private tradesmen and kulaks) an insignificant minority

At that time, Lenin pointed out, the nation s economy was on the whole transitional not socialist for it embodied elements inherent both in capitalism and socialism The task was to gradually transform the multistructural economy into a socialist one The economic and political balance of power in the country called for a new economic policy primarily in regard to the prevalent small-commodity production The question of other sectors of the economy had been resolved in favour of socialism relatively easily private ownership of basic means of production in industry and transport and also of the land mines, forests and waters, was abolished, and all the national wealth had passed into the hands of society represented by the proletarian state Big capitalists and landlords were dealt with in a revolutionary manner they were dispossessed of all means of production In farming, however there were over 20 000 000 small individual peasant households whose number after the victory of the proletarian revolution and defeat of foreign interventionists and internal counter-revolutionaries had considerably grown compared with the pre-Revolution period The land was confiscated from the landlords and given to the peasants and this led to an abrupt increase in the number of individual peasant households The difficulty of involving the peasantry in the building of socialism lay also in the social nature of peasant economy by virtue of which small-scale production *engenders* capitalism and the bourgeoisie continuously daily, hourly, spontaneously, and on a mass scale [1]

[1] V I Lenin "'Left Wing Communism—an Infantile Disorder" *Collected Works* Progress Publishers, Moscow Vol 31 1977 p 24.

At that time economic and social difficulties inter twined with a political crisis caused by the peasants dissatisfaction over the policy of war communism the name used for the economic policy pursued by the Soviet state during the Civil War of 1918-20 and the ensuing economic dislocation and directed at mobilising all the country's resources for defence The major points in the policy of 'war communism were to nationalise all large- medium and most of small-scale industry to maximally centralise management of industrial produc tion and distribution to absolutely prohibit private trade, and to introduce universal labour conscription and wage levelling

During the Civil War the peasants who had united with the workers in a military political alliance to gain victory over foreign interventionists and internal counter revolutionaries and thus defend the gains of the Octo- ber Revolution put up with this form of economic rela tions and with the surplus-appropriation system whereby the government requisitioned their surplus products However once the Civil War was over the peasants instantly demanded the abolition of this system, since it undermined their interest in expanding sowing areas and increasing crop yields Moreover small-commodity peasant production needs a market and freedom of trade and the policy of war communism deprived the peasants of the opportunity to be the masters of the farming produce stocks they possessed

The expropriated anti-socialist elements namely landlords and capitalists, and representatives of the bourgeois Cadet and petty bourgeois Menshevik and Socialist Revolutionary parties that were defeated during the Revolution took advantage of peasant dis content and organised anti Soviet kulak uprisings in some areas of the country which involved a part of the middle peasants Thus posed a serious threat to the alliance of the working class and the peasantry

The resultant situation demanded the establishment

of proper relations between socialist industry and small peasant farming on an economic foundation The fate of construction of a new society in Russia essentially depended on the establishment of proper relations between the main classes of Soviet society namely the working class and the working peasantry For the struggle between the newly built socialism and the overthrown but still undestroyed capitalism resuscitating on the basis of small-commodity production constituted the essence of the transitional period from capitalism to socialism These relations could no longer be ensured by a military-political alliance of the workers and peasants that existed during the years of the Civil War and foreign armed intervention

The task was solved by transition in 1921 to the New Economic Policy (NEP), whose introduction signified a change in economic management The state retained only large- and medium-scale industries, whereas the small industrial enterprises were leased to co-operatives and private individuals Industrial enterprises were given certain independence in procuring raw materials and fuel and in marketing ready products at the same time, certain principles of cost accounting were introduced, and normal money circulation restored. To strengthen personal interest of workers in improving their skills and increasing labour productivity the wage system was restructured this was marked by a transition from wage-levelling to the socialist principle of payment according to the quantity and quality of work

The essence of NEP in relation to the peasantry consisted in satisfying their desire for the surplus-appropriation system to be replaced by tax in kind The introduction of a lower tax and the possibility after paying it to freely use their surplus farming products, fostered material interest among peasants in expanding agricultural production and hence in increasing output of foodstuffs for the entire population of the country and of raw materials for industry

The purpose of NEP was to draw the working peasantry into socialist construction by means and methods most understandable and kindred to the peasants 'The small farmer, so long as he remains small needs a spur an incentive that accords with his economic basis i e the individual small farm [1] And the change of the surplus-appropriation system for a tax in kind created such an incentive The farmer was forewarned of the tax rate before the beginning of field work Kulak households were rated highest, the middle peasants less and many poor peasants were exempted from taxation altogether

At the same time serious attention was given to the question as to whether or not the tax in kind and the introduction of certain freedom of trade in the country would weaken the economic foundations of socialism On this account Lenin indicated that everything depended on the limits that determined freedom of turnover If the proletariat having political power in its hands organised correct economic turnover it would acquire economic power as well

The Communist Party and the Soviet Government regarded NEP as the policy of the proletariat implementing dictatorship in a small peasant country, not as a short term campaign NEP was the economic policy of the socialist state a policy aimed at restoring and developing the country s productive forces, at the victory of socialist production relations at building socialism and gradually eliminating capitalist elements in using existing commodity-money relations NEP was conducive to carrying out deep-going reforms by creating prerequisites for involving the broad working masses primarily the peasantry in socialist construction

The political report of the Central Committee which Lenin delivered to the 11th Party Congress in the spring

[1] V I Lenin "Tenth Congress of the R C P (B), March 8-16 1921 *Collected Works* Vol 32 1973 p 219

of 1922 marked that the results of the first year of work on the basis of NEP had confirmed its correctness NEP served as a powerful impetus for developing the country's productive forces At factories and plants at pits and mines vigorous struggle was being waged for increasing labour productivity for strengthening labour discipline The Soviet Government helped peasant households with seeds provided them with credits and organised repairs of farming machinery A serious change also took place in the sentiments of the peasants The working peasantry increasingly rallied around the Communist Party and the Soviet Government and their confidence in the working class grew too

At the same time Lenin emphasised that the task of transforming agriculture on a socialist foundation is among the most difficult ones in socialist construction The main difficulty was in shunting the individual small peasant households onto the path of collectivised large-scale socialist agriculture Attempts to accelerate this process during the Civil War showed "the tremendous role all kinds of experiments and undertakings can play in the sphere of collective agriculture" and at the same time revealed the great harm that haphazard steps could bring in this field [1] The task of collectivising peasant households may be solved solely by educating peasants through their own political experience given that their individual interests are combined with public interests and by first applying the simplest forms and ways for shifting to large-scale collective farming, the forms and ways most understandable to the peasants

Even prior to the October Socialist Revolution in assessing the ways and methods for future socialist transformation of agriculture Lenin showed that it would be achieved within two forms of economy viz the state and co-operative farming Under NEP co-

[1] V I. Lenin, "'Left Wing Communism—an Infantile Disorder" *Collected Works* Vol 32, p 217

operation in all its forms acquired exceptional significance In summarising the experience in co-operation during the first years of Soviet government Lenin arrived at the conclusion that only through co-operation can small peasant households be brought to socialism, be unified in large collective economies

The co-operative plan, a major component in the programme of building socialism in the USSR was outlined by Lenin in a number of works and speeches He finalised the plan of socialist remaking of agriculture in an article entitled 'On Co-operation', which he dictated on January 4 through 6 1923 In this work, Lenin theoretically summarised the initial experience in using co-operation under Soviet government He disclosed the general trends in transforming co-operation into a socialist one both socially and economically For the first time he inferred that the co-operative form of ownership can rightfully exist as a variety of socialist ownership and indicated the ways leading to a socialist co-operative system in the countryside

The article On Co-operation" provides well-grounded answers to the basic issues of the theory and practice of transforming the small and smallest individual peasant households into large-scale socialist agriculture by means of co-operation

CO OPERATION—THE PEASANTRY S WAY TO A NEW LIFE

The agrarian problem has always been one of the most complex and acute ones in revolutionary theory and practice In their works, Marx Engels and Lenin substantiated the objective need for socialist transforma tion of small-scale agriculture with its limitations into large-scale agricultural production on the basis of collec tive work and use of most up to-date scientific methods in the interests of all society

The works of Marx and Engels provide an answer to the issue of the proletariat s attitude towards the peas-antry after the victory of the socialist revolution The need for expropriating the big landowners evokes no doubt. However, the attitude towards small peasants should be basically different The victorious proletariat must in the most resolute manner side with the latter and take measures to facilitate a transition from private to collective land ownership As an interim form for involving small peasants in common land management Marx and Engels proposed socialist co-operation whose theoretical foundations they had developed

Agricultural co-operation is essentially an amalgama tion of peasant economies in collectives for joint produc tion marketing, and use of machines and other agricul tural tools.

Marx and Engels regarded co-operation as being in organic relationship with the entire system of social pro-duction Co-operation is a socio-economic an historical phenomenon The role and purpose of co-operation

change depending on the character of the social and state system The co-operative movement could and did emerge only together with capitalism i e an economic system in which all means of production belong to a small class of capitalists and in which the masses are either turned into hired slaves of capital or remaining small proprietors and producers, are forced to give up a considerable portion of the results of their work to the bourgeoisie the dominant class As capitalism continues to develop the number of hired hands grows and their exploitation by the bourgeoisie goes on to increase In their struggle against the exploiters the working masses having come to understand the need for unity create political parties and trade unions, and also use co-operatives

Under capitalism co-operation traverses the way from the social form of labour employed by capital to raise labour productivity to the association of workers within which the contradiction between labour and capital is transcended So far as the very fact of the existence of co-operative workers' factories proves that labour alienated from ownership of capital is able to exist relatively independently co-operation essentially paves the way for socialism Yet under capitalism co-operation tends to reproduce capitalist relations, for capital possesses political power and comes up as the dominant force in the sphere of production and credit Hence co-operative factories *can themselves* readily degenerate into purely capitalist enterprises Proceeding from this Marx and Engels concluded that under capitalism co-operation cannot serve as a form of transition to a new way of production by the whole of society nor can it wage an independent struggle against capital

The co-operative system " wrote Marx 'will never transform capitalistic society "[1] The working masses

[1] K Marx "Instructions for the Delegates of the Provisional General Council in K Marx and F Engels *Selected Works* in three volumes Progress Publishers Moscow Vol 2 1976 p 81

can be freed of exploitation provided co-operative labour develops on a national scale and at the expense of public funds i.e. with elimination of the capitalist mode of production. And this may happen only as a result of a socialist revolution, after the working class has won political power.

In this connection, Marx and Engels elaborated important tenets on the destiny of co-operation, on the new prospects of using it in building socialism, especially in the sphere of agriculture. Co-operation acquires special significance in the countries, where despite the development of capitalism in the village there are still many millions of small and middle peasants that should be persuaded to take the road to socialism. In 1886 in a letter to A. Bebel, Engels wrote that, in the transition to fully developed communist economy co-operative production would have to be extensively used as an intermediate link, and that neither Marx nor he himself had ever had any doubts about that [1].

Marx and Engels scientifically proved the inevitability of the transition to large-scale agricultural production and the ruin of small peasant households under capitalism. They waged a resolute struggle against petty bourgeois socialists, who stood for preserving individual peasant households. In his work *The Peasant Question in France and Germany* Engels wrote that "the attempt to protect the small peasant in his property does not protect his liberty but only the particular form of his servitude; it prolongs a situation in which he can neither live nor die" [2]. In Engels's view the individual peasant economy is incompatible with large-scale production.

Marx and Engels proved that agricultural production would eventually be impossible without collectivising individual peasant economies and without using new

[1] Marx/Engels, *Werke*, Bd. 36, S. 426.

[2] Engels, "The Peasant Question in France and Germany" in K. Marx and F. Engels, *Selected Works* in three volumes, Vol. 3, 19[illegible], p. 463.

farming machinery and other means. They maintained that, under socialism the transition to large-scale collective co-operative agriculture should be achieved not forcibly but with the consent of the small peasant to take part in co-operation voluntarily In this connection Engels wrote 'Our task relative to the small peasant consists in the first place in effecting a transition of his private enterprise and private possession to co-operative ones not forcibly but by dint of example and the proffer of social assistance for this purpose And then of course we shall have ample means of showing to the small peasant prospective advantages that must be obvious to him even today [1]

Along with the need to convince the small peasant and show him in practice the advantages of collective forms of agricultural co-operative production Marx and Engels attached major significance to the support to be given to him by the proletarian state which should also take into account the peasant s adherence to private economy his small-owner mentality should 'make the peasants understand that we can save preserve their houses and fields for them only by transforming them into co-operative property operated co-operatively [2]

Marx and Engels emphasised that the large co-operative economies that would arise after the establishment of the dictatorship of the proletariat would fundamentally differ from the co-operatives existing under capitalism They assumed the possibility of creating production co-operatives both on nationalised and non-nationalised land In both cases however control over economic activity was to be exercised by the proletarian state which should retain ownership of the means of production in order that the private interests of co-operative associations would not come on top of those of the whole of society Co-operative associations could be

[1] *Ibid.* p. 470
[2] *Ibid.* p 471

essentially socialist only if the proletarian state retained ownership of the means of production

The general theoretical tenets of Marx and Engels on the sources of co-operation on its essence and role in social development of various classes under capitalism and under the dictatorship of the proletariat were further developed in Lenin's works Already in his pre-revolutionary works, Lenin analysed the socio-economic nature and social role of co-operation in the proletarian class struggle for political power and the possibility to use it in building a new society under the dictatorship of the proletariat After the victory of the Great October Socialist Revolution, during the first years of Soviet government, Lenin analysed the change in the socio-economic nature of co-operation under the dictatorship of the proletariat in a number of his works and speeches, and traced its transformation into socialist co-operation into an instrument for involving the peasantry in building socialism in the countryside

Among Lenin s works devoted to the study of co-operation, the article "On Co-operation occupies a special place It deals specially with the social nature of co-operation under capitalism and under the dictatorship of the proletariat. Lenin draws the conclusion that, under capitalism co-operation is a collective capitalistic institution, which economically resembles a capitalist enterprise It inevitably reflects in its development all the economic processes and phenomena characteristic of capitalism conforms to all the laws of the capitalist system and is essentially its component part Even a workers co-operative or a co-operative of small-commodity producers, fall under the influence of capitalists, who in the final analysis use them in their own interests At the same time co-operation under capitalism still differs from other capitalist enterprises. It is essentially a class organisation of workers, office employees handicraftsmen and peasants, an organisation that gives them certain possibilities to fight against speculation, usury,

and other forms of capitalist exploitation, and somewhat, albeit slightly to alleviate or improve their position. In this sense co-operation may be despite its capitalistic essence, an instrument in the struggle against capitalism. Hence the need for both the workers movement and the communist parties to carry on systematic and active work in all kinds of co-operatives so as to defend the economic interests of workers and small proprietors, and to involve them in the struggle against capitalism.

With the establishment of Soviet government in Russia, co-operation also acquired a different meaning. The dictatorship of the proletariat abolished private ownership of the means of production and established the dominance of public socialist ownership. To that end the proletarian state nationalised factories, plants, banks, means of communication, railways, and shipping and introduced state monopoly of foreign trade. By securing all commanding positions in the economy the proletarian state undermined the economic basis of domination by the bourgeoisie and created a foundation for developing socialist production relations and socialist economic structure. Lenin had time and again stressed that fundamental change in social conditions changes the nature of co-operation as well. To begin with, socialist co-operation has a basically different social composition since its membership includes more poor people. Second, developing under the dictatorship of the working class and closing up with socialist industry co-operation turns into a form of socialist production relations, into an instrument of class struggle against the bourgeoisie. Therefore, Lenin concluded that the development of co-operation under the dictatorship of the proletariat and state ownership of the basic means of production was identical with growth of socialism.

The social nature of co-operation depends on the level of development of socialist economy. In his pamphlet *The Tax in Kind* written in 1921 when Soviet Russia had no developed socialist industry and her agri-

culture was roused. Lenin regarded co-operation as a peculiar form of state capitalism. Proceeding from the concrete conditions of Russian reality Lenin determined the class character of all the existing forms of co-operation. First, he distinguished consumer-trade co-operation as the state capitalist form and, second, in perspective, production co-operation as the socialist form of co-operation. Besides, he noted that co-operation as a form of trade is more profitable and useful than private trade, since it makes it easier to unite and organise millions of people and then the whole of the population, this very circumstance being, in turn, a positive factor for subsequent transition from state capitalism to socialism. This means that simple (non-productive) forms of co-operation prepare the transition to socialist production co-operation. Lenin wrote about production co-operation as future: "The transition from small-proprietor co-operatives to socialism is a transition from small to large-scale production, i.e., it is more complicated, but is capable of embracing wider masses of the population.... The co-operative policy, if successful, will result in raising the small economy and in facilitating its transition, within an indefinite period, to large-scale production on the basis of voluntary association."[1]

In 19_3, only two years after NEP had been introduced and socialist economy, primarily socialist industry, had consolidated and grown in Russia, Lenin regarded co-operation in combination with socialist industry. He stressed that consumer-trade co-operation still manifested its inherent petty-bourgeois shopkeeper's tendencies. In other words, co-operation as a form of production relations engendered by the capitalist mode of production, in closing up with socialist industry did not become socialist at once. Hence in the beginning of socialist construction, it appeared as a transitional form

[1] V. I. Lenin, "The Tax in Kind" *Collected Works*, Vol. 32, pp. 348–49

of production relations But already in 1923 Lenin assessed the co-operation as socialist

Lenin defines production co-operation as a major means for solving the task of socialist remaking of small peasant households and stresses that co-operation under our conditions nearly always coincides fully with socialism [1]

However, co-operation could not fully realize its possibilities Industrial enterprises feverishly sought to establish ties with the market This was prompted by a shortage of fuel raw materials equipment funds and poor supply of foodstuffs for the workers Hence, those enterprises often preferred the services of private dealers who were quick to organise sales and purchases of essential commodities

The year 1922 marked a turning point in agricultural production The peasant economy had taken a course that would make it a commodity economy this was marked by a transition from the tax in kind to pecuniary taxation and also by the increasing role of co-operation in consolidating the economic link between town and country and by specifying the rates and trends in increasing farming production

In his article On Co-operation Lenin substantiated the exceptional importance of co-operation in building the new society He wrote Not everyone understands that now, since the time of the October Revolution and quite apart from NEP (on the contrary in this connection we must say—because of NEP) our co-operative movement has become one of great significance [2]

In explaining this, Lenin first of all noted that Marxists had justly criticised representatives of co-operative socialism , this reformist theory alien to Marxism According to 'co-operative socialism ' gradual emer

[1] V I Lenin "On Co-operation" *Collected Works* Vol 33 1980 p 473

[2] *Ibid* p 467

gence of socialism from capitalism may take place through development of co-operation The adherents of this theory thought that a co-operative was a cell of socialism' under any social system and that by way of universal co-operation it was possible to peacefully transform capitalist society into socialist society Lenin did not deny that, in capitalist society, co-operatives were 'cells of socialism However, relying on profound analysis of existing reality he proved that the emergence of co-operative associations did not sap the foundations of capitalist society and that the transition to socialism is impossible without class struggle without the proletariat winning political power without the means of production passing into the hands of the proletariat.

An utterly different matter is the role of co-operation in the construction of socialism when the proletarian revolution has already triumphed In this case much that was fantastic even romantic even banal in the dreams of the old co-operators is becoming unvarnished reality '[1] If the commanding positions in the economy (industry transport banks land foreign trade) are in the hands of the Soviet state and if there is an alliance between the working class and the peasantry and the former plays a guiding role in relation to the latter then this means that there are the necessary prerequisites for building a socialist society by means of co-operation In Lenin s idea the very growth of the co-operative movement evidenced the successes of socialist construction If the whole of the peasantry had been organised in co-operatives we would by now have been standing with both feet on the soil of socialism "[2]

This idea of national co-operation was proposed by Lenin earlier too However in new conditions a return to the old thesis was a great step forward The point is

[1] V I Lenin, "On Co-operation" *Collected Works* Vol 33 p 467

[2] *Ibid* p 474

that in 1921 1922 co-operation was often regarded as just an intermediate stage of development a way to stimulate the peasant economy NEP had proven in practice the need to retain co-operation as an independent economic and social organisation

Co-operation had resumed its economic functions through the market by means of commodity-money relations This made it possible for Lenin to write about co-operation as a new type of organisation of the population, as a special independent kind of economy existing in conditions of the transitional period from capitalism to socialism alongside private capitalist and state sectors

In maintaining and developing its principles (independent activity self-support participation of working people in management, electivity of managing personnel etc) co-operation assumed certain features of state enterprises, e g centralism in planning and organising the economy protection of national interests and pursuance of the class policy of proletarian dictatorship Emphasis should be put on the exceptional role of agricultural production co-operation, which had a distinct class socialist character in the struggle against the kulaks the village bourgeoisie In establishing socialist production relations in the countryside production co-operation not only made it impossible to use hired labour in agriculture but created conditions for elimination of the kulaks as a class Thus co-operation under NEP became an active conductor of the policy of the Communist Party and Soviet Government At the same time it permitted to raise the output of small-scale production and strengthen the economic union of the working class and the peasantry

Yet why is precisely co-operation the most acceptable form of socialist remaking of small peasant economies?

In his work On Co-operation Lenin provides an answer to this question, too It is precisely through co-

operation that the proletarian state provides for the most proper combination of the personal interests of working peasants with the interests of the whole of society establishes continuous control over peasants production activities and subordinates private commercial interests to the common interests of all working people of the whole of society

But the most important thing is that co-operation—first its simplest forms, viz marketing supply consumer and credit forms, and then its production form—is the simplest easiest and most accessible way for millions of peasants to pass over from small individual households to large-scale collective farming This is highly important, for it is common knowledge that socialism can be built only by the working people themselves. The significance of co-operation from this viewpoint is determined by the fact that it makes it possible for every peasant to take part in the construction of socialism It was through co-operation that a way was found for uniting the entire mass of poor and middle peasant households, not just individual sections or layers of the peasantry In this connection Lenin wrote But this is of fundamental importance. It is one thing to draw up fantastic plans for building socialism through all sorts of workers associations, and quite another to learn to build socialism in practice in such a way that *every* small peasant could take part in it. [1]

Lenin convincingly proved that the use of co-operation as a form of building socialism would be profitable economically and politically to both the working class and working peasantry Politically collectivisation of peasant means of production by co-operation (unlike expropriation of the bourgeoisie in industry) is carried out with due account of the class nature of the peasantry, their petty-proprietor mentality It has to be

[1] V I Lenin "On Co-operation" *Collected Works* Vol 33 p 468

achieved without abruptly breaking the peasant economic structure and should help strengthen not destroy the political foundation of the proletarian state, the alliance of the working class and the peasantry

Co-operation is the sole machinery of capitalist society which the new government should not destroy, but should preserve restructure develop and perfect. As a mass organisation it stimulates mass initiative and helps the new state adjust food supplies in the country Thanks to co-operation private capital is restricted and ousted from the trade turnover, and economic ties between large industry and small peasant economies are consolidated.

Having revealed the significance of co-operation as an instrument of socialist remaking of small-commodity production, Lenin also charted the basic ways for consolidating it as a new principle of the organisation of the population The experience of 1921 22 showed that all-round and ever increasing aid by the proletarian state to the young co-operative system in the countryside was a decisive prerequisite for socialist remaking of small-commodity peasant economy which was encountering quite many difficulties especially in the initial stages of its existence Lenin wrote in this connection "A social system emerges only if it has the financial backing of a definite class. .. The co-operative system is the social system we must now give more than ordinary assistance and we must actually give that assistance [1]

State assistance to co-operation should consist in providing it with economic financial and banking benefits and privileges. Co-operation should be given state loans that would exceed those granted to private enterprises. In this case material support should be given to co-operatives in which *"really large masses of the population actually take part"* It is certainly a correct

[1] V I. Lenin, "On Co-operation" *Collected Works* Vol 33 p 469

form of assistance "to give a bonus to peasants who take part in co-operative trade but the whole point is to verify the nature of this participation to verify the awareness behind it and to verify its quality [1] Besides, there was need to find a suitable bonus system permitting to solve the triple task of encouraging the population for membership in co-operatives, helping to consolidate the material base of the organisations and introducing "civilised methods in co-operative activity, methods with which it was possible to win the economic competition with private enterprise

Lenin regarded co-operation in close connection with the development and consolidation of socialist economy He repeatedly pointed out the exceptional significance of utilising advanced technology in farming for socialist reconstruction of agriculture Lenin held that the development of industry would have a decisive significance for the socialist transformation of the countryside He taught that heavy industry was the sole material foundation of socialist society that development of national industry was a paramount prerequisite for socialist construction in the countryside Development of industry was essential to provide the countryside with new machines, and make the achievements of science available to the peasantry, to agricultural co-operation Lenin said addressing the 8th Party Congress in March 1919 "If tomorrow we could supply one hundred thousand first-class tractors, provide them with fuel provide them with drivers—you know very well that this at present is sheer fantasy—the middle peasant would say, I am for the commune (i.e., for communism)."[2] Time and again Lenin emphasised that only a material base technology and electrification could change the mentality of the small and middle peasants and create conditions for the successful organisation of peasant households into production co-operatives.

[1] *Ibid.*

[2] V I Lenin "Eighth Congress of the R C P (B) March 18-23 1919" *Collected Works* Vol 29 1977 p 214

Lenin developed the basic principles for involving working peasants through co-operation in the building of socialism, and specified the methods and means for co-operating small peasants.

Lenin regarded the principle of voluntary participation, excluding coercion of peasants as a major principle of co-operation and resolutely opposed the method of purely administrative orders. Measures for influencing the peasants ideologically through explanation and persuasion had decisive significance in overcoming the survivals of their private-ownership mentality, their ignorance, lack of class consciousness and backwardness, and in promoting habits of collective work. The peasants were to see the advantages of joint farming in practice, from their own experience so as to voluntarily, without coercion, pass to collective labour and collectivisation of the basic means of production. This principle made it possible to introduce collective work into agriculture, first in the sphere of marketing, supply and consumption, and then in the sphere of production. Without explaining to the peasants the advantages of passing to joint cultivation of land through unification in large socialist co-operatives, "without repeating this idea thousands and thousands of times we cannot expect the broad masses of peasants to take an interest in it and undertake practical tests of the methods of carrying it into effect",[1] Lenin asserted.

Lenin considered gradual transition from the simplest forms of co-operation (consumer and marketing) to the highest form (production) to be no less important.

Participation by the poor and middle peasants in the simplest forms of co-operation involving marketing, supply, and consumption does not demand special training and economic risk and facilitates their transition to socialism. However, the simplest forms of co-operation

[1] V. I. Lenin, "Speech Delivered at the First Congress of Agricultural Communes and Agricultural Artels, December 4, 1919", *Collected Works*, Vol. 30, 1977, p. 197.

do not change the character of production inherent in the small individual peasant holding and do not lead to collective cultivation of land This transition is possible solely through the highest forms of co-operation viz production co-operatives, such as associations for a joint cultivation of land agricultural artels communes etc Gradual transition from the simplest forms of co-operation to the most complex forms connected with production and distribution has nothing in common with spontaneity Lenin repeatedly emphasised that socialist transformations in the countryside were possible only under the guidance of the working class and its Communist Party To persuade the peasants in practice of the advantages of large-scale collective farming Lenin called on the Party and the workers state to show concern for protecting and consolidating the first collective economies. Lenin attached special significance to rational land management that the whole population had to master

Lenin inseparably linked the solution of economic problems with a cultural revolution Socialism envisages not only a new economic system and political structure, but also a new type of culture a qualitatively new level of development of science literature and art and education of a new personality Lenin said that to achieve complete co-operation of the peasantry would require a whole historical epoch which at best, under most favourable conditions, would take one or two decades. During that period, the material and technical base of large-scale agriculture must be created and the cultural level of the population considerably raised

To resolve these problems as quickly as possible revolutionary enterprise, energy and enthusiasm must be combined with the ability to be a sensible, educated and cultured trader Lenin indicated that the centre of gravity should be shifted to peaceful organisational "cultural" work and that complete co-operation would require a whole cultural revolution ' As one of the main issues,

he suggested the task of remaking the state machinery and improving its structure and work There was need to oust bureaucrats and procrastinators from Soviet state economic and co-operative institutions to achieve better organisation and reduce unproductive expenditures to ensure flexibility efficient, accurate and harmonious work of all staffs and to hire employees capable of studying generalising and spreading the acquired experience Lenin considered the task of cultural work among the peasantry with a view to their overall organisation into co-operatives to be no less important, since given social ownership of the means of production given the class victory of the proletariat over the bourgeoisie the system of civilised co-operators is the system of socialism" [1]

As Lenin noted the road to achieving a cultural revolution in the Soviet Republic was blocked with "immense difficulties of a purely cultural (for we are illiterate) and material character (for to be cultured we must achieve a certain development of the material means of production must have a certain material base) [2] and in addition with difficulties of an international nature when there was need to fight for our position on a world scale [3] The Communist Party had to wage a struggle with opportunist leaders of the Second International The question of the possibility of building socialism in a country with predominant small-commodity peasant economy in a country that was backward technologically economically and culturally was turning into an exceptionally acute issue Opportunists claimed that construction of socialism in an insufficiently cultured country was a foolhardy thing "But they were misled by our having started from the opposite end to that prescribed by theory (the theory of

[1] V I Lenin, "On Co-operation" *Collected Works* Vol 33 p 471
[2] *Ibid* p 475
[3] *Ibid.* p 474

pedants of all kinds), because in our country the political and social revolution preceded the cultural revolution that very cultural revolution which nevertheless now confronts us. This cultural revolution would now suffice to make our country a completely socialist country."[1]

The article "On Co-operation" represented a major contribution to the Marxist Leninist teaching on building socialism. Marx's and Engels's brilliant prevision of the paramount role of co-operation in the transformation of small peasant households into large-scale socialist agriculture was supplemented by a concrete analysis of the ways to achieve it.

The history of the development of Soviet peasantry, from the first collective economies to the victory of the collective farm system, illustrates the correctness and vitality of Lenin's teaching on the role of co-operation and the triumph of his plan for socialist restructuring of agriculture.

Lenin's co-operative plan has great international significance. Gradual socialist remaking of agriculture is a regularity inherent in all countries involved in transition to socialism.[2]

[1] *Ibid.* p. 475.

[2] *Programmye dokumenty borby za mir demokratiyu i sotsializm*. Moscow, 1961, pp. 12-13, 47.

SIMPLEST FORMS OF NON PRODUCTION CO OPERATIVES

The co-operative movement in Russia began under capitalism and reflected the nature of the then existing production relations Co-operatives involved chiefly petty bourgeois and peasant strata By virtue of the fact that the Russian working class was small in number and because of the stubborn opposition of the ruling elite, workers co-operatives were not widespread even in industrial centres

During the First World War consumer producer and agricultural co-operatives in Russia considerably grew in number For instance from 1914 to 1916, the network of consumer associations had grown more than twice and the membership of co-operatives almost four times In 1917 Russia s consumer co-operatives included over 11 500 000 members This was more than in all the countries of Europe combined In early 1917, the turnover of Russian co-operative societies ranked third in Europe after Britain and Germany

One of the reasons for the rapid growth of all forms of co-operatives was that war needs had compelled the tsarist government to strengthen ties with various capitalist organisations including co-operatives Agri cultural marketing and-supply co-operatives supplied Russia s War Ministry with millions of poods of grain oats, hay butter dry fruit etc Producer co-opera tives received orders for clothes footwear, and other necessaries for the army On the whole by 1918 the co-operative network had grown almost twice as com

pared with the prewar period

The Communist Party and the Soviet Government guided the co-operative movement taking into account the political and economic conditions for the country's development. At each stage they revealed the forms of co-operative work which provided for the fullest possible solution of the tasks of socialist construction The hunger and unemployment which were caused in Russia by the First World War and economic dislocation demanded that the Party take extraordinary measures to aid the hungry, and to wage a relentless struggle against speculation There was need to set up institutions capable of supplying the population and industry with everything required The Soviet state positively assessed the possibilities of producer and agricultural co-operatives as factors of economic development. However, since the broad masses of peasants were not prepared to form agricultural co-operatives, and the Soviet Government had neither the necessary material resources nor the experience in their organisation the task of fundamentally restructuring the simplest forms of production co-operatives was put off to a later period

The only way to solve the food problem was to organise proper commodity turnover between town and countryside and to create a centralised distribution system to do away with private trade within the shortest possible time This first of all, required fundamental transformation of bourgeois *consumer* co-operation, for it is easier for the state organs to exercise control over co-operatives than over private commercial enterprises

In his speeches and articles dating to 1918 and 1919, Lenin repeatedly emphasised that the proletarian state must make use of the co-operative apparatus inherited by the Soviet Republic from capitalist Russia in the interests of socialist construction He wrote The co-operatives are a bourgeois apparatus Hence they do not deserve to be trusted *politically* but this does not mean we may turn our backs on the task of using them

for administration and construction "[1] A compromise with bourgeois co-operative organisations was essential to find practically achievable and suitable forms for transition from separate co-operatives to a single national co-operative At the same time Lenin indicated that Soviet power loses nothing from compromising with bourgeois elements since while making specific concessions to bourgeois co-operators, it controls and makes use of them to move forward

However, the anti Soviet stand taken by some old, bourgeois co-operators made it extremely difficult to involve the available co-operative apparatus in creating a new system of supply and distribution In this connection anti-co-operative sentiments in the country grew stronger In some cities local Soviets of Workers' Deputies, on their own initiative confiscated co-operative property, or introduced rigid control over co-operative activities

Thus, in solving the problem concerning the place and role of co-operation the Communist Party had to overcome sabotage by some co-operative leaders, on the one hand, and help local authorities to find a flexible approach to the old, essentially bourgeois co-operatives, on the other

In such conditions in the spring of 1918 the Soviet Government, on Lenin's initiative made a compromise with the old co-operators In April 1918 the Council of People s Commissars adopted a decree "On Consumers Co-operative Societies the draft having been discussed beforehand at a joint meeting with co-operators Later Lenin wrote This was the only meeting that was attended by members of the non government co-operative movement as well as the Communist People's Commissars

We came to an agreement with them This was the

[1] V I Lenin "A Little Picture in Illustration of Big Problems" *Collected Works* Vol 28 1977 p 388

only meeting that adopted a decision by a minority by co-operators, and not by a majority of Communists [1] 'We conferred with them and asked Can you accept this point? They replied We can accept this but not that It was at their request that several clauses were deleted from the decree [2]

The decree stipulated introducing favourable terms for membership by people with little means The latter were to pay minimal entrance fees and were allowed to pay shares by instalments This was necessary for drawing into co-operatives the poorest strata of the urban and rural population A highly important point in the decree was that owners of private trade and industrial enterprises employing hired workers were barred from membership in co-operative boards The decree also stipulated in particular that co-operatives were allowed to make procurements and process various products, organise their own production for manufacturing essential commodities and what was very important enjoy major preferences in taxation rent for premises, and some others

The Party s decision on gradual transformation of the old bourgeois co-operatives corresponded to the general line in economic construction It ensured their smoothest reorganisation retaining whatever was acceptable in the already existing forms of co-operation and the co-operative apparatus The Party sought to enlist for service to the proletarian state specialists possessing necessary habits in trade to use in the interests of socialist construction the network of co-operatives that had already formed under capitalism and to create premises for subsequent steps on the road of turning co-operation into a socialist organisation The Soviet Government

[1] V I Lenin Speech Delivered to a Meeting of Delegates from the Moscow Central Workers Co-operative November 26 1918 *Collected Works* Vol 28 p 199

[2] V I Lenin Moscow Party Workers Meeting November 27 1918 *ibid.* p 222

adopted a series of measures aimed at the further use of co-operation under state control

During the fierce struggle between the socialist and capitalist elements in accord with the principle who beats whom , the consumer co-operative system played an important role promoting the development of the socialist sector in the country s economy During the first two years of economic recovery, the influence of co-operation on economic life had considerably grown Its material base improved more people became involved and the forms of economic activity became increasingly varied The positions of the working class and of the Communist Party in co-operative bodies strengthened considerably The basic functions of co-operatives were more precisely defined the ties between co-operatives and state bodies became stronger and more extensive The state provided co-operatives with higher credits in money and goods In addition co-operation received certain privileges with regard to prices, taxation etc

Besides consumer co-operatives the Soviet state succeeded in 1918 in enlisting also *agricultural and producer co-operatives* for solving economic problems. The majority of societies and artels had agreements with the state under which they fulfilled orders for the Red Army receiving on credit raw materials and money from government agencies

In the countryside, the task of co-operatives was essentially dual They were to organise the peasant not only as a consumer but also as a producer Lenin taught that socialist remaking in the country should be started with forms of co-operation that are accessible and understandable to the peasantry, with supply-and-marketing agricultural consumer and credit co-operatives in which the peasants retain ownership of the means of production For the peasantry co-operation was a primary school teaching them in practice methods of collective farming by electing the consumer society board and the

auditing and other commissions, the peasant shareholders became involved in management, in social activity The most accessible way for peasants to pass to a new way of life is to take part in the work of their co-operative

The lowest form of agricultural co-operation was the *supply-and marketing co-operatives* in which the peasants retained their ownership not only of the means of production but also of the products they manufactured These co-operatives made it possible for peasants to sell their products to the urban population and industry on the one hand, and to purchase industrial goods (chiefly implements and small farming machines) at state prices on the other Co-operation thus protected the peasants from kulak bondage and helped the Soviet state take possession of the sphere of turnover it also helped via the market, to bring closer to each other socialist industry and individual peasant economy and to consolidate the alliance between the working class and the peasantry

An important place in co-operating the sphere of turnover belonged to agricultural *consumer co-operatives*, one of the simplest forms of co-operation and hence, also the most accessible one to the peasant. In subsequent years consumer co-operation was the basic system of trade in the countryside By supplying peasants with consumer goods and certain industrial items, and by buying from them agricultural products for industry and the urban population consumer co-operatives consolidated economic co-operation between the working class and the peasantry Trade in these conditions fostered material interest of peasants in reorganising their farming on collective principles.

Vividly demonstrating to the peasantry the strength and advantages of social organisation, the consumer co-operatives gradually made them understand the need for production co-operatives. Having deep roots in the small commodity economy consumer co-operatives

represented in the sphere of turnover the principal form of co-operation which prepared the peasants for implementing Lenin's co-operative plan

Shunting of small peasant economies to socialist rails was to some measure promoted by *credit co-operatives*. In seeking to get rid of kulak bondage the poor and middle peasants asked for loans from credit co-operatives, which under the dictatorship of the proletariat were one of the levers that helped raise the peasant economy. It should be noted that credit co-operation in the countryside could not play this role immediately. After the October Socialist Revolution and during the Civil War, there were no conditions for credit co-operation to pursue independent activity on a large scale, and in practice it was limited only to minor go-between operations. Under NEP difficulties of a special kind arose. Now what was essential for developing credit co-operation was stability of the monetary system and normal functioning of the state network of credit institutions. At that time however state finances credit and trade were in extreme disorder. In virtue of this, credit co-operatives began their activities slightly later than other forms of co-operation.

All forms of non-production co-operatives helped Soviet power to pursue an economic policy that was to lead to the establishment and development of socialist relations between the working class and working peasantry and helped to strengthen their alliance.

Universality was characteristic of co-operatives during the first years of Soviet government. Agricultural co-operatives catered to all aspects of economic activity: marketing of farming products, supplying peasant households with farming machinery and implements, credit operations, processing of raw materials, etc. This was due to the weakness of economic development in the countryside, poor marketability of the peasant economy and low level of specialisation in agricultural production. With successful restoration and development

of agriculture on the basis of NEP it became possible to change the nature of co-operative activity Specialised production and-marketing co-operatives began to de velop rapidly alongside all purpose co-operatives The former were of three types (a) for marketing farming products without preliminary processing (dairy poultry apicultural sugar beet, seed horticultural cotton grow ing and gardening co-operatives) (b) for marketing processed farming products (butter-making cheese-mak ing, potato-grating tobacco growing and wine-making co-operatives) and (c) agricultural production co opera tives. The distinctive feature of these production co operatives was that they were being set up without col lectivising peasants means of production, were simple in form and specialised in a particular field—crop cattle breeding sowing machine land improvement, and other co-operatives.

As a major form of simplest production co-operatives *field-crop (seed growing) societies* were to supply the peasants with élite seeds and improved varieties of cereal technical and vegetable crops

Cattle breeding associations provided themselves with pedigree cattle to improve the existing breeds of cattle and raise its productivity Both associations were instru mental in freeing the masses of working peasants of de pendence on kulaks

Sowing associations were a higher form of co-opera tion Agreements stipulated not only for them to supply peasants with high-quality seeds but to achieve a whole complex of agrotechnical measures requiring joint efforts of several households and even villages Hence, agreements were more often concluded with peasant associations, not with individual peasants In 1928 the share of agreements with individual peasants covered 31 3 per cent of the contracted area, and in 1929 only 0 7 per cent. The spring of 1929 marked the increasing spread of direct production aid to peasant associations with tractors and other machinery, and agricultural

services This contracting system helped agricultural non production co-operation to develop into production co-operation

Machine societies had major significance in preparing peasant economies for collectivisation and in consoli dating the alliance of the working class and the peas antry Several households occasionally even several villages, combined for joint utilisation of complex machines inaccessible to individual peasant economies Collective work helped develop the peasants self-con sciousness and convincingly showed the superiority of collective farming over individual farming

Machine societies were not the only form in which the leading role belonged to socialist industry a role that showed most vividly in the creation of *machine and tractor columns.* Initial attempts to set up tractor de tachments date back to the early twenties However, they were few since the idea of combining into produc tion collectives had not matured yet among the peas antry moreover there were almost no tractors in the country In fact, these new organisational forms began to develop intensively in 1928-29 By the autumn of 1929 the number of co-operative tractor columns in the RSFSR equalled 58 they serviced 40 808 economies with 729 8 thousand hectares of land plots

Machine societies and machine and tractor columns became powerful levers in the socialist transformation of the countryside and agitators for and popularisers of the most up to-date machinery and collective labour

Land improvement societies appeared in Soviet Russia in 1921 They were organised to help the peasants im prove their farming lands through melioration and irriga tion since they were unable to do that on their own

The development of all forms of co-operation was a very powerful instrument for involving the peasantry in collective farming Issues of co-operative policies were time and again discussed in Party and government bodies

A major landmark in the development of co-operation in general and agricultural co-operation in particular were the resolutions of the 14th Conference of the R C.P (B), which took place in April 1925 They summarised the experience of Party guidance in co-operative construction and contained a programme for co operating most of the working peasantry primarily the poor peasants and for improving the work of co-operative organisations. Confirmed later by the 14th Party Congress the programme charted the main directions in the work of Party organisations in co-operation subsequently it was only specified and supplemented and certain propositions were developed with respect to the situation

To involve the mass of poor peasants in simplest co-operatives, the Party Conference recommended that privileges be granted for entrance and share-holder fees both in the societies themselves and at the expense of a special state co-operation fund Poor peasants were also encouraged to join co-operatives by being granted preferential credits for expanding their economic activity

Among the measures directed at furthering co-operation the Party Conference stipulated that the functions of consumer and agricultural co-operatives be strictly delimitated cost accounting and profitability ensured and the credit system consolidated Serious attention was given to strengthening ties between co-operatives and the broad working masses and to making the latter take direct part in the social activities of their respective organisations. Co-operation was to solve not only economic problems, but those of socialist re-education of small commodity producers, e.g peasants handicraftsmen etc The Conference resolution declared "Party organisations should in no case forget, among other things, that the co-operative movement in the countryside must play with regard to the rural population the same educational role that the trade union does

with regard to non Party working masses [1]

The resolutions of the 14th Party Conference specified an extensive programme for improving Party work in the countryside and for strengthening the Party guidance of the state and public organisations The Conference supported the initiative of Moscow Leningrad, Tula and other cities to organise patronage of the countryside and enlist volunteers for permanent work there it also called on rural Communists to work more efficiently to draw representatives of the working peasantry into the Party and to promote non Party activists in the countryside to leading posts in Soviets and co-operatives In order to start really mass communist propaganda and agitation, the Conference resolved to send 3 000 Communists to the countryside

The rise of the co-operative movement was ensured by diversified aid to co-operatives and poorest peasants by the state and by the extensive organisational and political activity of the Communist Party in the countryside In 1924 the USSR had 37 872 agricultural co-operatives with 2 863 000 shareholders but already in 1925 they numbered 54 813 and 6 589 000 respectively In 1927, agricultural co-operation had about 9 500 000 members or 39 2 per cent of the total peasant households and by late 1929 already over 55 per cent.

The rapid growth of co-operative membership confronted the Party with the task of strengthening and improving organisational work in co-operative bodies The fact that insufficient attention was given to this was evidenced by quite frequent emergence of the so-called independent co-operatives and pseudo-co-operatives which were not part of co-operative associations and consequently not subordinate to them In late 1926 they numbered about 18 000 or 27 1 per cent of all agricultural co-operatives their membership

[1] *KPSS v rezolyutsiyakh i resheniyakh syezdov konferentsi i plenumov TsK* Vol 3 p 192

was around 1 000 000 Most often pseudo-co-operatives emerged among various kinds of associations whose rules did not require collectivisation of the basic means of production permitting to keep untouched individual kulak households under the sign of a collective farm The Communist Party and the Soviet state waged a resolute struggle against pseudo-co-operatives primarily by consolidating co-operatives with poor and middle peasant membership both organisationally and economically

Soviet legislation did not close the way to membership in co-operatives for well to-do and kulak elements Even in the middle of 1929 when the mass movement for collectivisation commenced there was no decision as yet on their immediate expulsion from co-operatives Besides co-operatives, which operated in the sphere of commodity and money circulation and were closely connected with the market organised their economic activity largely on the basis of their own accumulations hence they were often interested in obtaining funds from the well to-do sections of the population However in no way does this mean that attempts by well to-do and kulak elements to strengthen their economic and political influence in co-operatives were not cut short

Organisational work in co-operatives was constantly within the field of vision of the Communist Party To implement the resolutions of the 14th Party Conference, the R C.P (B) Central Committee adopted decisions in 1925 in which it indicated the need for strengthening co-operatives with trained personnel and for intensifying communist influence in guiding them

The Party carried on large-scale work to train and retrain co-operative workers In line with the R C.P (B) CC decision On Cultural and Educational Work of Co-operative Societies of August 26 1925 courses were organised all over the country for re training members of co-operative boards and auditing commissions, as well as accountants and other employees of co-operative societies The above-said decision stipulated that

a network of secondary and higher educational establishments be organised for training personnel for co-operatives In 1926-27 co-operative secondary technical schools were opened in various regions Subsequently, secondary school curricula were supplemented with a special course, Talks on Co-operative Societies The number of people studying at various courses specialised secondary schools and circles increased every year Whereas in the 1925-26 academic year there were only 775 courses for training personnel for co-operative societies and the enrolment was 36 000 a year later 900 courses involved almost 44 000 students As a result of large-scale organisational work tens of thousands of co-operative workers with different professional backgrounds were trained to become active conductors of the Party s policy and fighters for carrying out Lenin s co-operative plan

In implementing the line of the 14th Party Conference for transforming co-operatives into mass organisations, the Party intensified mass political work in the countryside It concentrated its attention on agitation and propaganda in which the central role belonged to the co-operative press that within a short period of time had become the most popular in the country In 1929 the co-operative printing houses were publishing 166 different co-operative newspapers and magazines the most numerous being those published by consumer and agricultural co-operative societies

Co-operatives played an exceptional role in implementing Lenin s instructions concerning the need for a cultural revolution in Russia Precisely co-operative societies were the first to supply books and articles for cultural needs in rural areas In 1926, they had over 3 600 centres for selling books in the countryside and in 1929 about 10 000 In towns, co-operative organisations in 1929 had over 150 specialised book-shops and stores. Also of major significance was co-operative participation in cultural work such as eliminating il

literacy among poor peasants and organising lectures, reports talks exhibitions, screening of films, and installing radios in the countryside

Guided by Lenin s instructions the Communist Party consistently struggled to turn co-operative societies into the main link between the state sector and small peasant economies In July 1925 the R C P (B) Central Committee adopted a resolution On Relations Between State Industry and Co-operative Societies , noting that, in the sphere of trade, consumer co-operatives were the main suppliers of industrial products to a large market. Hence, the terms under which they were supplied with goods should be the same as for state trade and in large-scale transactions even more preferential favourable terms were also granted to producer co-operatives. Agricultural co-operatives were given preferential right to procure raw materials and grain and became the sole contractor of industry for a number of farming products

The development of agricultural industry and organisation of machinery supplies to peasant households had a decisive significance in remaking agriculture on socialist lines The key to solving this problem was to industrialise the country primarily by developing agricultural machine building The Communist Party and the Soviet state used all available opportunities for supplying the countryside with machines and farming implements to help draw poor and middle peasants into socialist construction Machinery funds were chiefly distributed via the co-operative network in a strictly class-oriented way In 1926-27, 28 8 per cent of all machines and implements sold in the RSFSR covered poor peasants 51 6 per cent middle peasants and 19 6 per cent well-to-do peasants The state granted credits to poor households so that they could purchase machines and implements. For instance in 1927 28 credits to machine societies and collective farms for purchasing tractors reached 11,200 000 roubles, which constituted over 75

per cent of the total cost of tractors By 1927 91 per cent of the RSFSR tractor fleet was owned by machine societies machine and tractor columns and collective economies A special decree by the All Union Central Executive Committee and the Council of People s Commissars of the RSFSR banned sale and resale of tractors into private ownership

At the same time the Party and the Soviet state took into account the fact that individual peasants who constituted the majority of the rural population were in acute need of complex machinery Seeking to satisfy peasant needs the Soviet state organised a machine lease system in the countryside which was of great assistance to the poor and middle peasants in their struggle against the kulaks and helped to gradually prepare them for a transition to collective forms of farming

The 15th Congress of the Communist Party held in December 1927 was an important step in developing Soviet agriculture and working out the Party line for the socialist transformation of the countryside The Congress substantiated the course towards collectivising farming Without collectivisation it was impossible to ensure further development of agriculture during the construction of socialism Having analysed the results of economic construction during the years of Soviet government the Congress arrived at the conclusion that not all sectors of the economy were developing uniform ly and proportionately The greatest concern was caused by declined marketability of farming primarily cereal cropping although the total grain production had almost reached the prewar (1913) level This was due both to certain growth in grain consumption by peasants and a further fragmentation of peasant households The number of kulak households had decreased and mid dle peasant households capable only of simple reproduc tion became prevalent. This signified the appearance of serious disproportions between the development of industry and agriculture that created a threat to the

growth of the entire economy primarily of socialist industry

Having carefully studied the condition of agriculture and its prospects for development the 15th Party Congress formulated the basic Party line in the country side aimed at uniting small individual peasant households into large collectives It was with utmost clarity that the Congress declared its full support for Lenin s co-operative plan Precisely through co-operation socialist industry was to lead peasant farming along the road to socialism by gradually remaking individual small households into large collectivised economies on the basis of machinery electrification etc

The Congress noted the need for providing all-out support to all forms of co-operation The Party maintained that further improvement and expansion of co-operative work would inevitably lead to collectivisation of production Among other things the Congress resolution stated The development of agricultural consumer and also handicraft producer co-operation and inclusion therein of major positions in the sphere of commodity turnover between town and countryside would lead to the economic need and economic possibility for agricultural and handicraft producer co-operation to penetrate from the sphere of marketing and supply operations into the sphere of production "[1] In this way the Party underscored Lenin s idea that co-operation even in its simplest forms, is an important prerequisite for the socialist remaking of peasant households

In the spirit of Lenin s ideas the Congress noted that the principal method for co-operating and collectivising the peasantry involved absolute free will on their part to unite The Congress made it incumbent on all Party organisations to start a large-scale propaganda campaign to show that gradual transition to large

[1] *KPSS v rezolyutsiyakh i resheniyakh syezdov konferentsii i plenumov TsK* Vol 4 p 58

commonly owned economies was expedient for and advantageous to the peasantry

The 15th Party Congress had tremendous significance for the development of Soviet agriculture It elaborated in detail the question of the role of various forms of co-operation in the socialist remaking of the countryside and charted concrete measures for resolving that problem The Congress showed that there were real prerequisites in the USSR for transforming small commodity peasant economies into large-scale collective socialist production capable of ensuring high development rates in industry and a rise in the people s living standards

In striving to implement the basic policy for agricultural development worked out by the 15th Party Congress, the Party carried on large-scale work for drawing broad peasant masses into socialist construction The year 1928 marked the beginning of a major stage in implementing Lenin s co-operative plan In addition to developing diverse forms of simplest co-operation, the Party waged a consistent policy of organising agricultural production co-operatives

The years 1928 and 1929 were the decisive ones in preparing the peasantry for total collectivisation At that time broad peasant masses were involved in all kinds of co-operative societies Yet, the simplest production associations and specialised agricultural societies which from 1926 to 1929 were typical forms of agricultural co-operation, could not ensure socialist remaking of farming since they socialized only certain aspects of peasant production activities while individual privately-owned economies continued to exist. To fully implement Lenin s co-operative plan, it was essential to set up production co-operatives based on social ownership of the means of production and on collective labour The Communist Party theoretically proved that transition to and consolidation of large-scale co-operative production alone could secure the solution of this important

socio-economic problem

At that time, many practical workers in the field of co-operation and collectivisation looked upon socialist remaking of agriculture as a gradual development of certain forms of co-operation into others, as a consecutive transition from lower to higher forms, and then to the highest stage of collectivisation Some people said that organisation of collective farms was possible only after the peasantry had passed the stage of total co-operation in the simplest forms of co-operatives and after an adequate material and technical base had been created

Yet, reality shows that stagewise transition of the peasantry from one form of co-operation to another is not essential The course selected by the 15th Party Congress for collectivising agriculture was unconditionally based on large-scale development of all forms of co-operation involving vast masses of peasants Nor is completion of the material and technical base an essential prerequisite for setting up production co-operatives; the two processes may be parallel

The movement for organising collective farms was largely successful because the peasant masses were being drawn into it in two streams. On the one hand the simplest forms of co-operatives continued to develop into production co-operatives On the other hand peasants joined collective farms directly Now whereas in 1928 29 the former way of organising co-operatives prevailed, in subsequent years the latter became prevalent in organising collective farms.

The historic experience of the Communist Party in using co-operatives in the socialist remaking of agriculture confirmed Lenin s important instruction that 'no form will be final until complete communism has been achieved" [1]

[1] V I Lenin, "Moscow Party Workers Meeting, November 27 1918" *Collected Works* Vol 28 p 216

ORGANISING FARMING IN AGRICULTURAL PRODUCTION CO OPERATIVES IN THE USSR

The experience of organising co-operatives and collective farms in the USSR shows two characteristic regularities On the one hand the process involved gradual transition from lower non production forms of co operation to higher production forms and on the other production co-operation itself generally represented gradual transition from lower to higher forms of co-operatives

This process reflects gradual ripening of both objective and subjective conditions for the peasants transition to socialist collective production The peasantry cannot immediately part with their individual holdings and start farming on socialist lines For that very reason the initial form of production co-operation is one in which collective cultivation of land is combined with individual farming

The following three basic forms of collective economies existed in the USSR during the organisation of collective farms (a) associations for joint cultivation of land (AJCL) (b) agricultural artels and (c) agricultural communes All these were essentially socialist for they were based on collective ownership of the basic means of production This means they had no economic foundation for exploitation of man by man they were characterised by development of new socialist production relations of co-operation and mutual assistance among people free of any exploitation Despite their common foundation however these three forms differed in

degree of collectivisation of means of production and in the system of distribution

A specific feature in the development of collective farming in the USSR was that in the initial stage it took the form of the agricultural commune which was characterised by the highest degree of collectivisation and that in subsequent stages it involved development and consolidation of associations for joint cultivation of land and agricultural artels Not only were the basic means of production collectivised in the commune but also productive cattle poultry dwellings and household implements in other words the peasants personal holdings All consumer goods were distributed equally among its members irrespective of the work they had done

The first agricultural communes appeared soon after the victory of the Great October Socialist Revolution and in 1918 they were the dominant form of production co-operation in the countryside This was due to the fact that the communes were organised on the basis of former landed estates The communes were joined primarily by the poorest peasants and also by rural and urban hired hands and former servicemen i e by people who had neither draught cattle nor farming implements By organising a commune, the poor peasants sought to create the most fair life In a complete collectivisation of the means of production and household implements and in equal distribution according to needs , the commune members saw an opportunity for organising a life based on communist principles and sought a way for improving their material and cultural conditions

In the agricultural communes, as well as in other forms of collective economies in the countryside which were established on the initiative and by the creative work of the masses Lenin and the Communist Party perceived live sprouts of socialism and did everything to encourage and support them At the same time Lenin made high demands of them He wrote We do en

courage communes, but they must be so organised *as to gain the confidence of the peasants* "[1] Also in attaching very big significance to the very name of Communard he indicated that this *very honourable title* must be *won* by prolonged and persistent effort by *practical* achievement in genuine communist development [2]

The practice of organising the first agricultural communes showed that this form of co-operation for a number of reasons proved unacceptable for shunting vast masses of working peasantry onto the road of socialism The shortcomings of the first agricultural communes were as follows

First the absence of experience in managing collective economy The organisers of the first agricultural communes were convinced that they would be able to build socialism simply by *revolutionary enthusiasm* The principle from each according to his ability to each according to his needs which they solemnly proclaimed was unrealistic for those times By repudiating the principle of personal material interest and by exercising petty control over everyday life and consumption they undermined economic incentives to work negatively affecting production and other aspects of social life

Second the absence of an adequate material and technical base Agricultural communes and other types of socialist farming economies were short of one hundred thousand tractors Besides, most communes were very small economies and forty percent of them had less than 55 hectares of land each With the adoption of NEP and development of commodity-money relations, the low level of their production base became evident In practice this led to a situation in which the communes not only could not demonstrate the peasant the advan

[1] V I Lenin Eighth Congress of the R C P(B)" *Collected Works* Vol 29 p 211
[2] V I Lenin A Great Beginning *Collected Works* Vol 29 p 431

tages of collective agriculture and render him concrete aid, but often evoked hostile attitude from surrounding peasants, who looked upon them as dependants of the state, since apart from land the latter provided them with free dwellings, production premises, implements, and other benefits.

Third, the organisers of agricultural communes sought to shunt the working peasantry onto the road of socialism without reckoning with the peasants age-old habits, their way of life and proprietor mentality The vast majority of peasants could not agree to such a resolute and abrupt break with the past As a result, the communes began restructuring their economies with measures that should be taken in the final stage of socialist construction i e under communism Hence they lacked vital capacity, and by the early thirties, virtually ceased to exist.

Lenin paid much attention to the activities of the first agricultural communes and he also knew their shortcomings. In substantiating the need of state aid to the agricultural associations, Lenin urged that this aid be properly used He said 'What we must be most careful about is that the peasants should not say of members of communes, artels and co-operatives that they are state pensioners that they differ from the peasants only by the fact that they are receiving privileges '[1] Lenin urged that members of agricultural communes, artels, and societies under the very worst conditions, see to it that the peasant regards every commune, artel and co-operative as an association which is distinguished not by the fact that it receives state subsidies, but by the fact that within it are gathered some of the best working-class people who not only preach socialism for others, but are themselves capable of realising it, who are capable of showing that even under the worst

[1] V I Lenin "Speech Delivered at the First Congress of Agricultural Communes and Agricultural Artels December 4 1919 *Collected Works* Vol 30 p 198

conditions they can conduct their farms on communist lines and help the surrounding peasant population in every possible way [1]

In finalising his co-operative plan Lenin used the experience in organising the first agricultural communes in the countryside during the first years of Soviet government The Communist Party of the Soviet Union subsequently also used this experience in working out its policy for organising the working peasantry in production co-operatives

By virtue of the fact that the peasants with their petty-owner mentality cannot instantly stop giving preference to individual economies and take the road to higher socialist forms of farming, the simplest form of the production co-operative viz associations for joint cultivation of land (AJCL) became increasingly widespread In such collective economies land and work were voluntarily collectivised whilst personal ownership of the means of production was preserved In AJCLs, only machines and farming implements purchased for society incomes were common property Draught cattle and farming implements belonging to individual peasants were collectivised with the consent of the owners solely for a period during which specific farming operations were to be performed AJCL members owned quite big individual households. Incomes were distributed not only according to the amount and quality of work done but also to the respective share and value of the means of production provided to the association by each member

An analysis of the collective farm movement in the USSR shows that, although AJCLs appeared later than the communes and agricultural artels they subsequently began to rapidly grow in number If in 1919 AJCLs constituted only 10 per cent of the total number of collective economies, in 1927 and 1929 the figure

[1] *Ibid.* p 203

increased to 42 and 60.2 per cent respectively Such rapid growth was due to the fact that to the peasant, essentially a petty owner used to his individual holding the AJCL was a closer and more understandable form of co-operation. And as the peasants, taking part in this simplest form of production co-operation became convinced that they could profit from collective farming, they voluntarily turned to the agricultural artel, yet another higher form of the production co-operative.

Historical experience shows that the most acceptable form of production co-operation is revealed in the practical work of peasant masses that achieve the transition to socialism in the practice of collective farming. In the USSR, the agricultural artel, which occupies an intermediate position with regard to collectivisation of the means of production between agricultural communes and AJCLs, has become the principal organisational form of production co-operatives of working peasantry

The agricultural artel presupposes collectivised land use, common work, and socialised basic means of production, viz draught cattle machines, equipment, and farming facilities. Artel members retain as personal property their dwellings and husbandries (productive livestock inclusive), the latter's size being limited in accord with the artel's regulations All incomes are distributed according to the amount and quality of work done i.e by work-days.[1]

As most co-operatives became agricultural artels, the degree of collectivisation of the basic means of production (primarily of draught cattle) sharply increased. In 1928 81.5 per cent of horses, 98 7 per cent of farming implements, and 67.2 per cent of farming facilities were collectivised in agricultural artels. The period of total collectivisation involved further socialisation of the basic means of production. For the first time it was widely proposed that animal husbandry be collectivised too

[1] A work-day is a unit of work on Soviet collective farms.

Now what are the advantages of the agricultural artel over other forms of collective farming?

The agricultural artel ensures the fullest combination of personal interests of collective farmers with their public interests and adapts the former to the interests of the socialist state Collectivisation of the basic means of production makes possible large-scale economies producing for the market The collective farmer s personal economy in this case is of consumer nature

The agricultural artel allows to implement most fully the principle of material incentive Thus is ensured primarily by the development of social production the higher its profitability the more each member gets for personal consumption and the more rapid the rise of his material and cultural levels It is possible to foster personal material incentive in collective farmers only by distributing articles of consumption depending on the amount and quality of the work done Only distribution according to the work done can ensure growth of labour productivity and hence also development of social production and consolidation and development of new property relations Ownership by the collective farmer of a personal farmstead also meets the principle of material incentive

That is why beginning from the early thirties the agricultural artel first became the principal and then the sole form of collective farming Subsequently the name agricultural artel lost its significance and was replaced in existing legislative acts and government and Party documents by *kolkhoz* (collective farm)

The ideas of Lenin's co-operative plan were asserted in the theory and practice of socialist construction under a fierce ideological struggle against anti Leninist concepts of the ways of agricultural development In such a small peasant country as Russia, this was a fundamental issue that determined the fate of the gains of the socialist revolution the final triumph of socialism

A major danger was Trotsky s theory that socialism

could not triumph in one country After Lenin s death, Trotsky renewed his attacks on Leninism in general, and on Lenin s teaching on the construction of social ism in particular Having no faith in the peasantry's revolutionary capabilities Trotsky asserted that the working class was unable to build socialism in one country without outside support, and that irresolvable contradictions existed between the working class and the peasantry He misinterpreted the rapid growth of mid dle peasant households in the Soviet state intentionally identifying it with the strengthening of the kulaks On this basis Trotsky concluded that the countryside was developing along the capitalist way and called the Party s policy of supporting the middle peasant a pro-kulak line' The Trotskyites repeated over and over again that the peasantry was by nature reactionary and that it would be impossible to draw the peasants into building socialism Hence they claimed the policy towards them should essentially involve expropriation and proletarisation

The reactionary nature of Trotskyite agrarian policy and its anti peasant essence showed especially clearly in respect of co-operation Not daring to openly come out against Lenin s co-operative plan the Trotskyites at the same time denied the possibility of drawing the peasants into socialist construction via co-operation In effect, they denied the significance of co-operation as an instrument of socialist remaking of individual peasant economies. The Trotskyites set off Lenin s co-operative plan with their way of agricultural development, involv ing the creation of giant state-owned agricultural enter prises by converting co-operatives into state enterprises and socialising peasant means of production Such a development of the countryside would undermine the political foundation of the Soviet state the alliance of the working class and the working peasantry and involve the danger of restoration of capitalism in the USSR

The Party started a resolute struggle against the

Trotskyite opposition which posed a great threat to the alliance of workers and peasants, and the views of the opposition were condemned by the majority of Com munists.

The idea of the crushed Trotskyite opposition that socialism could not triumph in one country was adopted by Zinoviev and Kamenev the leaders of a new opposition who subsequently united in a Trotskyite Zinoviev bloc The supporters of the 'new opposition" adhered to the Trotskyite anti-middle peasant line They regarded stratification in the countryside as erosion of the middle peasant" and growth of polar peasant groups the kulaks, on the one hand and poor peasants on the other In their view co-operatives were in the hands of well to-do and kulak elements and therefore tended towards capitalist development intensifying stra tification among the peasantry In this connection, members of the 'new opposition" advanced the slogan of immediate collectivisation However they equally misunderstood the idea of collectivisation, assuming that it was intended solely for the poor peasants.

The views of the Trotskyite Zinoviev opposition were subjected to severe criticism at Party congresses and conferences, at CC plenary sessions, in Party organisations, and in the press. The ideological defeat of the opposition was finalised by a complete rout of all its organisations.

After the 15th Congress of the CPSU when the Party intensified its advance on the positions of capitalism in both town and countryside a group of Party members, the so-called right wing deviation came up against the Party's basic line for extensive socialist development. Its leader and chief theorist was Bukharin, whose theory of organising the peasantry in co-operatives completely revised and falsified Lenin's co-operative plan and his theory of classes and class struggle during the transition from capitalism to socialism Bukharin s "theory posed a great danger precisely

because it represented a whole system of views that were allegedly not *against* but *for* socialism

The right wing opportunists deprived Lenin's co-operative plan of its essence namely the need for organising small individual peasant households in socialist production co-operatives Upholding the idea of preserving small-commodity peasant economies, they defended the tenet that the peasantry including kulaks, would spontaneously, 'peacefully grow into socialism In their view in order that all peasants effected a transition to socialism, it would be sufficient to draw them into marketing and supply co-operatives, i.e to accomplish this transition via turnover, not via production Bukharin maintained that the development of production co-operatives was only a subsidiary sphere for commodity turnover

Contrary to Lenin's co-operative plan, Bukharin opposed co-operatives to collective farms, rejecting collective forms of farming He declared that collective farms were a form secondary in significance that should not be left out of reckoning but could not be taken seriously into account. Bukharin and his followers maintained that the simplest forms of co-operation, specifically marketing and supply co-operatives, not collective farms, were to be the high road for peasantry to socialism In effect, right wing opportunists rejected Lenin's co-operative plan for socialist remaking of agriculture

The thesis that the kulak would peacefully "grow into socialism ' stemmed from Bukharin's faulty anti Leninist theory that Soviet society could peacefully advance to socialism without a class struggle, a theory which reckoned on establishing a "class peace' in the countryside

However, class struggle in the Soviet countryside was developing according to objective laws, not according to those invented by Bukharin The kulaks the last exploiter class, desperately resisted the Soviet government's

measures to create a socialist economy The kulaks refused to sell grain at stable prices concealed and often destroyed it and resorted to terrorist acts.

It should be emphasised that the collective-farm movement was from the very start of strictly pronounced class character Prior to the transition in 1929 to overall collectivisation the Communist Party and the Soviet government pursued a policy of restricting and ousting the kulaks Restrictions were introduced on the size of land plots to be leased and on the use of hired hands Also certain difficulties were put up in the way of kulaks for obtaining credits and purchasing farming machinery Kulak economies were surtaxed and had to sell grain to the state at stable prices. By means of economic measures, the Soviet government narrowed to the minimum the scope of growth for the capitalist elements in the countryside Nevertheless the kulaks albeit slowly increased in number In 1927 there were 1 100 000 kulak households in the USSR which possessed a rather large material base The kulaks sowed 15 per cent of the land under crop and concentrated at their farmsteads 11 2 per cent of the total draught cattle and most of the available farming machinery In these conditions, when collective and state farms were still weak and could not replace kulak grain production the policy of restrictions was absolutely correct and necessary Yet it did not lead to elimination of the economic foundations of the kulaks as a class, since a major portion of individual peasant households continued to exist In fact, it is possible to fully destroy the kulaks strong positions in small-commodity production only after totally transforming the peasant economy on a socialist basis But this requires an adequate material base By 1929 as a result of two years of socialist industrialisation in the USSR, a material base had been created for organising the peasants into co-operatives The Soviet state now had a solid base for grain production, and in 1930 collective and state farms produced

400 000 000 poods of grain for the market This made it possible to pursue the policy of eliminating the kulaks as a class on the basis of total collectivisation The countryside became the scene of mass peasant struggle against the kulaks In areas of total collectivisation the use of hired labour in individual farmsteads was banned, and the right to lease land annulled The peasants expropriated the kulaks and handed over to collective farms the confiscated means of production

By the 16th Party Congress in 1930 huge successes had been achieved in the collective farm movement At that time, the country already had 90 000 collective farms involving 5 700 000 peasant economies After the 16th Party Congress the collective farm movement continued to develop If 1929 was the turning point in its development, the years 1930 through 1932 marked a particularly rapid growth in the number of collective farms. Over those years, they increased to 211 100 and the percentage of collectivised peasant economies rose from 23 6 in 1930 to 61 5 in 1932 In 1934 there were already 233 300 collective farms, which included 87 4 per cent of the total land under crop and involved 71 4 per cent of all peasant households Basically this marked the completion of mass organisation of peasant economies into production co-operatives, turning the USSR from a country of small peasant farming into a land of the world s largest agriculture The large scope of and high rates in organising collective farms in the years 1930 through 1934 showed that the huge work performed by the Communist Party and the Soviet government had resulted in a change in the consciousness of the overwhelming majority of peasants The class struggle in the countryside was decided in favour of socialism

This was the first experience in the history of mankind in solving the most difficult problem of the socialist revolution Hence, as Lenin put it Soviet people had to grope along and mistakes were committed even on the right way in quest of the most expedient and scientif

ically grounded solutions In some localities, giant state farms were set up to combine the peasants of several villages sometimes dozens of kilometers apart There were also facts when people were carried away by the idea of organising an exorbitantly large number of peasant farmsteads into co-operatives, occasionally, whole villages joined collective farms en masse to quickly break apart later Also not only basic means of production but productive livestock poultry and household implements were sometimes collectivised In the complex situation of the class struggle in the countryside the Communist Party led by its Central Committee, and Soviet government exerted all efforts to quickly correct those mistakes.

The late fifties saw the Soviet collective-farm system emerge onto the road of further rise and consolidation after having traversed a difficult path involving measures for strengthening it organisationally and economically, creating a highly developed material and technical base, and eliminating the huge losses suffered during the Second World War

Guided by Lenin s teaching on co-operation, the Communist Party perpetually develops the theory and accumulates the experience of the collective farm movement It finds new forms and methods for increasing the extent of socialisation of collective farm and co-operative socialist property through all-out state-collective farm and inter-collective farm co-operation and by increasing the share of co-operative indivisable funds Present day development by the CPSU of Lenin s co-operative plan has shown that new forms of production co-operation have been found which correspond to the new level of agricultural development. With consolidation of the material and technical base of collective farms, agricultural production is being increasingly developed on an industrial foundation In these conditions inter farm co-operation and agroindustrial integration are acquiring ever increasing signifi

cance A new form of production co-operation has emerged in the shape of agroindustrial complexes in which crop farming and cattle breeding are being combined by the territorial and sectoral principles involving also processing industry state enterprises Inter farm and agroindustrial co-operation opens wide possibilities for specialising and concentrating agricultural production These large and economically strong enterprises with their strictly sectoral specialisation and high efficiency are instrumental in transferring agricultural production onto an industrial foundation to turn farming into a variety of industrial work This also helps to successfully solve such important social problems as raising co-operative and collective farm ownership to the level of national ownership and obliterating differences between town and countryside

The USSR was the first in world history to set up a new socialist system in the countryside By means of co-operation individual households were combined into large collective socialist agricultural enterprises (collective farms) Overall collectivisation was instrumental in eradicating the kulaks the last exploiter class, thus fully eliminating the last source of restoration of capitalism in the country The victory of the collective farm system has once and for all done away with the formerly existing antithesis between town and countryside and division of the peasantry into poor middle, and kulak peasants The role of the peasantry in social organisation of labour has also basically changed The countryside now has an established socialist form of ownership embodied in co-operative and collective-farm ownership on the basis of which new socialist social relations have formed All this permitted the working peasantry to do away with poverty and ignorance, and to free themselves once and for all from kulak dependence From the *political* viewpoint, the collective farm system had consolidated the Soviet state and its mainstay—the alliance of workers and peasants, and created real con

ditions for the peasants participation in managing social production and solving national problems. From the *economic* viewpoint, it made it possible to develop agriculture on a modern industrial basis and use benefits of large-scale production for building socialism and communism. Finally, from the *social* viewpoint, it not only freed the working peasantry of exploitation and poverty but permitted to establish in the countryside a new system of social relations that would lead to complete overcoming of class differences in Soviet society.

EXPERIENCE GAINED IN IMPLEMENTING LENIN'S CO-OPERATIVE PLAN IN OTHER COUNTRIES

The experience of socialist remaking of agriculture in the USSR has international significance for it confirms the truth of the Marxist-Leninist teaching on the social role of co-operation in building socialism. The history of socialist construction in the USSR shows that socialist transformation of co-operatives is more successful when the proletariat and its Party start the struggle for strengthening their influence in co-operative organisations prior to the overthrow of the capitalist system. A serious obstacle to that may be a sectarian attitude to co-operatives as petty bourgeois organisations which are therefore doomed to disappear in the proletarian state. With the victory of socialist revolutions in a number of countries, the experience of the Communist Party and the Soviet state in remaking bourgeois co-operatives, in turning them into socialist ones and utilising them as instruments for bringing socialism within the reach of the working peasantry has confirmed the theoretical tenets of Marx and Lenin that the transition from small-commodity peasant economy to large-scale socialist agriculture was a natural development, and that the relevant ways and methods were essentially correct.

The principal tenets of Lenin's co-operative plan underlie the economic policy in agriculture in other socialist countries, too. This proves the unsoundness of the assertions of bourgeois ideologists that Lenin's teaching on co-operation is allegedly good only for the USSR. The experience of socialist remaking of agriculture in

those countries confirms that the principles elaborated by Lenin on co-operation are correct.

Lenin's co-operative plan was successfully implemented in the course of building socialism both in countries with developed capitalist relations in the countryside and in those with formerly backward economic systems and feudal survivals Besides in all socialist countries socialist remaking of agriculture is, in the main with historical inevitability subordinate to common regularities notwithstanding the considerable peculiarities of the historical national and socio-economic conditions in those countries and despite the specific forms and methods used to organise individual peasant economies into socialist co-operatives

The experience of socialist reforms in agriculture both in the USSR and the socialist countries showed that success is achieved when the basic principles of Lenin s co-operative plan are observed when reforms are carried out in the presence of essential objective and subjective prerequisites and when the broad masses of working peasantry come to fully understand the need and expediency of switching over to large-scale collective economies Unification of individual peasant households into large collective co-operative enterprises is ensured by the alliance of the working class and the peasantry under the guidance of the working class A co-operative system in the countryside may be set up and consolidated only with constant aid from the proletarian state with money machines and personnel and in the presence of a material and technical base of socialist agriculture a base created either as a result of socialist industrialisation or in the course of it Unification of individual peasant households into socialist co-operatives presupposes suppression of resistance by exploiter elements and elimination of the kulaks as a class The collective farm system may be set up and strengthened in the countryside only with mass participation of the working peasantry in co-operative and collective farm

movements under the guidance of the Communist Party, which carries on constant ideological educational and organisational work among the masses of peasants.

The theory and practical work of Marxist Leninist parties in socialist countries on socialist remaking of agriculture on the basis of Lenin s co-operative plan and Soviet experience in implementing that plan have con firmed that the process essentially has the following common features

(a) creation of two types of socialist economies viz collective farms based on co-operative and collective-farm ownership and those based on state ownership

(b) gradual and voluntary transition of working peasants from small-commodity individual peasant farming to large-scale co-operative socialist agriculture

(c) multi-stage character of co-operative societies, which develop from simplest to highest forms of co-operation

(d) remuneration depending on the work done

(e) organisation of permanent production units at large collective farms such as field teams, production brigades, and cattle breeding farms.

At the same time in virtue of characteristic historical national and socio-economic differences in the devel opment of socialist countries each of them had specific features, concerning primarily the solution of the land question a major prerequisite for socialist construction in the countryside As Lenin emphasised the choice of methods for solving the agrarian question is determined by concrete historical conditions in a given country Proceeding from this basic tenet communist and workers parties determine the methods and also the concrete forms and pace therefor Besides in the USSR, all land was also nationalised in the Mongolian People s Republic In all the other socialist countries, the agrarian question was resolved using two forms of socialisation of land viz nationalisation and transfer into private peasant ownership In this case division of land for pri-

vate peasant ownership had prevalent importance only an insignificant portion was to be nationalised For instance, 2 5 per cent of all land was nationalised in Hungary 10 8 per cent in the GDR 20 per cent in Poland, 20 6 per cent in Romania, 23.3 per cent in Czechoslovakia, and 28.7 per cent in Yugoslavia In Cuba two land reforms (in 1959 and 1963) national ised 70 per cent of all land

The pace of agrarian reforms and the principles of dividing land as private property between landless and land-starved peasants and agricultural workers in social ist countries also differed The point is that dividing land as peasant property engenders certain specifics of the agrarian structure creates certain difficulties for organis ing peasant households in production co-operatives and causes a number of peculiarities in forms and methods of co-operation

In socialist countries, the first production co-operatives were set up after the victory of the socialist revolu tions and in some of them at the stage of people's democratic revolutions. Socialist production relations in the countryside were established in the People s Republic of China and the Korean People s Democratic Republic in 1957, in Bulgaria in 1958 in Albania in early 1961, and in the German Democratic Republic, Mongolia Czechoslovakia and the Democratic Republic of Vietnam in the spring of 1962

Depending on the historical features of their develop ment and taking into account Soviet experience in organising collective farms, communist and workers parties worked out the most acceptable forms of produc tion co-operatives.

Various forms of agricultural co-operation were widely used in *Bulgaria*. The first consumer co-operative appeared in 1919 with participation of the Bulgarian Communist Party under the influence of consumer co-operatives in Soviet Russia. In 1934-35 numerous Bulgarian co-operatives comprised over 523 000

members, and many co-operatives were guided by communists and progressive co-operators. In 1939-40 the first agricultural production co-operatives appeared in Bulgaria. After the founding of a people's democratic state in Bulgaria, a mass movement of peasants began for organising production co-operatives. Already by late 1945 the country had 382 agricultural producer co-operatives (APC), which included 343 662 farmsteads. This caused the need to adopt a Law on APC (April 1945) earlier than the Law on Land Reform (March 1946). The former established a single form of agricultural production co-operative in the country. The co-operative members retained their right to private ownership of land transferred to APCs. During the year they had to fulfil the established minimum of work-days to receive their remuneration not only for the work done, but for the land they had provided as well. Of the total APC income 10 per cent were credited to the co-operative indivisible fund and 90 per cent to the divisible fund (70 per cent were distributed by work-days, and 20 per cent were spent on compensating the cost of land transferred by the peasant to the production co-operative).

Now whereas in Bulgaria production co-operatives appeared before the land reform in *Hungary* they were organised only in 1945, after the land reform had been completed. Co-operatives were set up by poor peasants and agricultural workers on the basis of former large landlord economies. However in 1945-48 production co-operatives were making only their first steps. The Hungarian Working People's Party[1] launched its policy for implementing Lenin's co-operative plan in 1948, when suitable conditions had been created in the country.

In December 1948, Hungary's people's democratic government endorsed a statute in conformity with which

[1] From 1956 the Hungarian Socialist Workers' Party.

three types of agricultural production co-operatives began to be set up in the country The first two types represented simple production associations, in which peasants combined to jointly fulfil some important work such as tilling sowing fertilising livestock fattening etc At the same time each peasant harvested his crop inde pendently The second type of production co-operatives was distinguished by higher degree of socialisation of work Here all the basic agricultural work was accom plished jointly And though the crop harvested from a plot of land belonged to the co-operative s member who owned the land he received his portion of the income only after the common expenditures and taxes had been subtracted In the third and highest type of co-operatives labour and basic means of production were collectivised the bulk (75-80 per cent) of the divisible fund was distributed according to the work done, and the rest depending on the size of the land plot

Following the suppression in 1956 of the counter-revolutionary revolt in Hungary and after the December 1958 Plenary Session of the Hungarian Socialist Workers' Party Central Committee, the process of organising co-operatives went at quicker pace The year 1959 and the subsequent period were characterised by prevalence of higher forms of production associations among the newly set up co-operatives

In the *German Democratic Republic*, too, three forms were used to organise peasants into co-operatives These three forms differ not only in the extent of socialisation of land and the means of production, but also in distribution of common income into social funds and those intended for personal use by co-operative members.

In the first type of agricultural production co-opera tives the peasants cultivate arable land and sometimes also meadows and pastures, collectively Hence, this type of co-operatives involves socialisation of arable land

and work alone Machines and other implements and productive and draught cattle remain the personal property of peasants The draught cattle farming implements, and machines, which a general meeting of the co-operative has recognised as essential for the common running of the given economy, are provided by co-operative members for a definite pay Every co-operative member must fulfil a fixed minimum of work-days. Sixty per cent of the divisible income is used to pay for work days and forty per cent, to compensate the cost of their land plots.

The co-operatives of the second type have collectivised land (with the exception of their members personal holdings) they organise common farms for productive cattle, and have joint ownership of farming machinery, tractors, and draught cattle The divisible fund is distributed as follows 70 per cent for work-days, and 30 per cent for the land plots provided by co-operative members.

The co-operatives of the third type have fully collectivised the basic means of production Each peasant retains up to 0 5 hectares as his personal holding. The size of the plot is determined by a general meeting of the cooperative Incomes in money and kind are distributed as follows 80 per cent for work-days and 20 per cent for the land depending on the size of the land plot provided by a given member to the co-operative

In *Czechoslovakia* like in Bulgaria co-operatives were widely spread even under capitalism When the country was liberated in 1945 about 80 per cent of the peasants already belonged to co-operatives. In subsequent years, as early as in the first stage of people s democracy in Czechoslovakia co-operatives became even more wide spread After the land reform the old co-operatives (with the exception of credit and consumer ones) began to unite with peasant economies into common agricultural co-operatives. The procedure of their organisation was determined by a Law on United Agricultural

Co-operatives adopted in February 1949 There are four types of agricultural co-operatives in Czechoslovakia

Peasant co-operation has its distinctive features in every socialist country and we could continue examining them However as was already noted despite their multiformity socialist production co-operatives in all socialist countries were organised on principles first applied in the USSR during the collectivisation of peasant households Socialist production co-operatives were set up on a voluntary basis, both with regard to peasant membership and choice of specific form of co-operation Other organisational principles involved compulsory participation in common labour and distribution of the divisible fund by the amount and quality of work done, and also retention by the peasants (except in the USSR and Mongolia) of private ownership of land

In the socialist countries where land had not been nationalised members of some types of production co-operatives were paid for contributing land and farming implements in addition to pay for their work Payments of unearned incomes made it easier to combine the working peasantry particularly middle peasants in production co-operatives

When old capitalist production relations in the countryside are replaced by new socialist ones, this invariably involves an acute class struggle As a class of exploiters that is dying off the kulaks do not cede their positions voluntarily and do everything to hamper socialist remaking of agriculture Like in the USSR, in other socialist countries the kulaks were eliminated as a class on the basis of mass organisation of production co-operatives. Yet socialist remaking of agriculture in the people s democracies was achieved in different historical conditions hence the forms and methods of class struggle in their countryside differ from those of the class struggle against the kulaks in the Soviet Union

The very existence of the USSR, and the economic and military might of the socialist camp caused the kulaks to put up less fierce resistance against measures taken by state authorities in the countries that had taken the road to socialism However the socialist states took the necessary measures of constraint against those kulaks who committed crimes against the people and the state On the whole kulak resistance in socialist countries was crushed due to the fact that the dictatorship of the proletariat there relied on the progressive poorest section of the peasantry and because politically the kulaks were isolated from the peasant masses. Development of capitalist farming was contained by imposing a progressive income tax on the kulak economies by restricting purchase and sale of land and use of hired labour and by completely or partially banning land rent The fact that the kulaks can be eliminated as a class peacefully is yet another specific feature in organising farming cooperatives in socialist countries.

The nature and forms of assistance to collective farms by the proletarian state also differ

Thus, historical experience has confirmed that when the proletariat has political dominance and the basic means of production become socialist property co-operation is identical to socialism This universal truth of Marxism Leninism is corroborated in all socialist countries, albeit each country has its own specifics. Organisation of peasants in the people s democracies in production co-operatives showed that this was the only way of making a transition to socialism, and an objective regularity

Co-operatives can solve large-scale problems in the developing countries, whose peoples seek possibilities for progress along the non-capitalist way of development. The number of small peasant economies is very great there For instance, Asian countries have 97 000 000 peasant economies, of which 45 000 000 or 46 4 per cent are small farms with an area of less than

one hectare each Also, there are about 20 7 million farms with one to two hectares of land, which constitutes 21 4 per cent of the total number

Democratic co-operation helps develop the productive forces of agriculture in developing countries Despite the contradictions in the development of the co-operative movement there participation in that movement of the peasant masses increases the scope of their independent activity and awareness of their common interests and of the need to jointly defend those interests in the struggle against the exploiter classes. Such co-operatives present a democratic alternative to the domination of monopoly capital in agriculture

Year after year the number of co-operatives in developing countries is growing, and the co-operative movement there is becoming increasingly popular Representative of this are figures showing the development of the co-operative movement in India, where over 70 per cent of the gainfully employed population are involved in agriculture In fact, India s co-operative movement has developed especially intensively after she became independent. During twenty years (from 1951 to 1970), the number of co-operatives had increased from 180,000 to 317 000 and the number of share-holders from 13 7 million to 62 million i e 4.5 times. In subsequent years, the co-operative movement in India continued to grow and by 1975 the number of co-operatives had reached 330 000 with a membership of 73 4 million people

Co-operatives in Asia have a membership of over 210 million, and those in Africa 4.5 million Afro Asian co-operatives constitute almost half of those represented in the International Co-operative Alliance

The most widespread types of co-operatives in the agriculture of developing countries are marketing co-operative societies that organise sale of farming products and sometimes also their processing purchase and-supply co-operative societies credit societies which

are especially characteristic of countries where most of the producers are financially weak and co-operatives for joint utilisation of machines In addition to the above-cited basic types of co-operatives agriculture in former colonies and semi-colonies has types and forms of co-operative organisations that are characteristic of only a few of them and occasionally even of one single country Such organisations include servicing co-operatives, co-operatives for joint land rent irrigation associations, societies for mutual insurance and so on

In countries with significant survivals of community relations, democratic co-operatives open wide prospects for radically changing social relations in agriculture In assessing the role of the co-operative movement, Jawaharlal Nehru wrote I attach a great deal of importance to the subject of Cooperation It is a very important subject for a variety of reasons It is important because, especially in rural India the holdings of peasants are very small and you cannot expect them to make progress in the higher techniques in the scientific approach to the problems, unless they cooperate among themselves and pool their holdings They have no resources. The only way for them to take advantage of modern methods is to form cooperatives and work together [1]

Thus, Lenin s co-operative plan which was completed in the article *On Co-operation* and the practice of its actual implementation in the USSR, are of international significance Transfer of Soviet peasantry onto a new road, onto the road of socialism on the basis of Lenin's co-operative plan and the use of all kinds of co-operation both the very simple ones, involving non-production forms, and the higher ones that mean production co-operatives (collective farms) is a development of universal significance not something characteristic of the USSR alone

[1] Jawaharlal Nehru *On Cooperation* New Delhi 1971 p 95

Under an unprecedentedly wide and acute ideological struggle taking place today in the world revolutionary process, bourgeois ideologists do everything to belittle the international significance of the experience of the CPSU in resolving the agrarian question, to restrict its effect on the countries and peoples that are taking the road of socialism These ideologists seek to prove that the practice of using co-operation in the USSR is inapplicable to other nations, since it is alleged ly characterised by Russian specificity , narrow-mindedness , non typicalness , and so on They strive to set off Lenin s methods of solving the agrarian-peasant question and socialist remaking of small-commodity peasant economy with other allegedly more humane" ways, like the so-called 'democratic socialism", which among other things envisage liberal forms of co-operation without socialising farming implements without collectivisation without eliminating the bourgeoisie in the countryside

The historic experience of the USSR and other socialist countries has shown that attempts to chart a third way" for developing small-commodity peasant economy are groundless, for they express petty bourgeois sentiments and seek to justify historically doomed ways of capitalist development in the countryside throughout the world The above-said experience has with all clarity confirmed that the principal factor in organising the peasantry in socialist co-operatives is to socialise the basic means of agricultural production Otherwise agricultural co-operatives cannot ensure a transition to a new life for the peasantry to lead it to the victory of socialism Soviet experience has shown that organisation of peasant economies in socialist co-operatives involves not only the task of economic remaking of the countryside but remaking of the whole tenor of life and of small owner mentality

Soviet experience in socialist co-operation and its use within the entire world socialist system has shown the

vitality of Lenin's co-operative plan both for countries and regions with relatively high or medium-level development of productive forces and for regions with low level of economic development. The historic experience of the USSR and other socialist countries shows that uniting of small peasant economies in socialist co-operatives is a common feature for all countries taking the road of socialism

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